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RUEHBU/AMEMBASSY BUENOS AIRES 2337
RUEHMN/AMEMBASSY MONTEVIDEO 2062
RUEHLP/AMEMBASSY LA PAZ 2899
RUEHSG/AMEMBASSY SANTIAGO 1790
RHEHNSC/NSC WASHDC
RUEAIIA/CIA WASHDC
RUMIAAA/USCINCSO MIAMI FL
RUEAWJC/DEPT OF JUSTICE WASHDC
RUEABND/DRUG ENFORCEMENT ADMIN HQ WASHDC

UNCLAS SECTION 01 OF 05 SAO PAULO 000742

SIPDIS

DEPARTMENT FOR DS/IP/WHA, DS/ICI/PII, DS/DSS/OSAC, WHA/BSC
NSC FOR FEARS
DEA FOR OEL/DESANTIS AND NIRL/LEHRER
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BRASILIA FOR RSO AND LEGAT; RIO DE JANEIRO FOR RSO
SOUTHCOM ALSO FOR POLAD

SENSITIVE
SIPDIS

E.O. 12958: N/A
TAGS: [PGOV](#) [PHUM](#) [KCRM](#) [CASC](#) [SOCI](#) [SNAR](#) [ASEC](#) [BR](#)
SUBJECT: PCC KILLS PRISON GUARDS AT HOME, POLICE NAB DOZENS

REF: (A) SAO PAULO 708; (B) SAO PAULO 526; (C) BRASILIA 496; (D) SAO
PAULO 215; (E) SAO PAULO 319

SENSITIVE BUT UNCLASSIFIED - PLEASE PROTECT ACCORDINGLY.

11. (SBU) SUMMARY: Ten days after a raid that left 13 of their compatriots dead and five apprehended, the PCC has carried out almost daily, precise assassinations and attempts on prison guards at their homes around Sao Paulo. Five guards have been killed and several other law enforcement personnel and civilians have been injured or killed in the attacks that began on June 28. At the same time, Sao Paulo police, perhaps chastened by accusations of human rights abuses when they killed 13 suspects in a preemptive raid on June 26 (ref A), successfully quelled at least one major prison riot and conducted two large-scale, multi-faceted raids with no shots fired, resulting in the arrests of some two dozen suspected PCC members, at least one of significance. One AMCIT is currently housed in a maximum security prison involved in one of several recent prison riots, but we were informed by officials that he was NOT/NOT in an area of the facilities affected by violence, but rather, in a separate part of the complex 500 meters from the affected prison. The Brazilian Federal Police stand poised to authorize prison guards to carry weapons off-duty, while human rights groups are reaching out to the prison guard community in a show of solidarity against the violence they face every day both at work, and now at home. But low salaries and dangerous work conditions continue to be the bane of prison guards, and lack of resources and failing infrastructure in general will test the sustainability of the recent push against the PCC by Sao Paulo public security forces. END SUMMARY.

SIX SAO PAULO PRISON GUARDS KILLED IN 10 DAYS

12. (U) Six prison guards have been killed in separate incidents around Sao Paulo in the 10 days following a pre-emptive raid by state security forces that left 13 suspected members of the

organized crime ring First Capital Command (PCC) dead and five in custody (ref A). The police raid of June 26, which is being portrayed by some as an affront to human rights, was carried out against a group said to be plotting an assassination attempt on prison guards as they changed shifts. It is reported that the PCC leadership ordered affiliates in certain neighborhoods to kill between five and fifteen guards over a period of ten days. While the police action was successful in thwarting an attack on June 26, PCC elements have murdered five guards and a police officer, and have made attempts on the lives of at least three others in the 10 days that have followed. The sixth guard killed this week was shot during the escape of eight inmates from a prison within the city of Sao Paulo on Wednesday, July 5.

NOT SAFE AT WORK, NOT SAFE AT HOME

13. (SBU) On Wednesday, June 28, a prison guard was killed on the doorstep of his home in Itapeperica da Serra, a municipality southwest of the Sao Paulo metropolis. A 21-year old male was immediately apprehended in the murder of Nilton Celestino, and one of two additional suspects has also been arrested. Police said that the suspects were ordered by the PCC to kill the guard. (NOTE: Judging by newspaper photos of the Celestino's home, it appears he lived in "favela" conditions (shanty slums) similar to many PCC members and their drug clients. END NOTE). The next day, another guard, Gilmar Francisco da Silva, was killed at the entry to his home in Sao Paulo's western zone.

14. (U) Meanwhile, police intercepted telephone communications that exposed a plot to kill five guards at the Presidente Venceslau 2 prison in the interior of Sao Paulo state, where 400 PCC leaders are being held in relative isolation. Police reported that the

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assassinations were to have taken place on a public bus transporting the guards to work -- the same modus operandi used in the foiled plot of June 26. Instead, police escorted the bus on its route without incident.

15. (SBU) On Saturday, July 1, Eduardo Rodrigues, a guard at the women's prison in Sant'Ana on Sao Paulo's near-north side, was shot and killed near his home on the west side of Sao Paulo. Two men approached the off-duty guard as he entered a television repair shop to pick up his surround-sound system. The men shot Rodrigues twice in the head and twice more in the body before disappearing. The women's prison where Rodrigues worked is located near the site of the now-dismantled Carandiru prison, the infamous site of a police massacre of 111 rioting prisoners in 1992 (refs C and D). The state Secretariat of Penitentiary Administration (SAP) was moved to the

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grounds of the women's prison at Sant'Ana late last year (ref E), and recent reports indicate that security has been tightened considerably around the offices of the Secretary of Prisons.

16. (U) The night before Rodrigues was killed, a man was shot in the head three times by three assailants as he returned home with his wife in the municipality of Barueri, just outside the northwest corner of Sao Paulo proper. The murdered man lived near a jail worker, who police believe was the intended target of the assassination.

17. (U) On Sunday, July 2, Otacilio do Couto, an off-duty prison guard was killed in a drive-by shooting in the city's northern zone, and another guard survived an attempt on his life in the municipality of Guarulhos, near the international airport on Sao Paulo's far-north side. An officer with the Military Police (PM) was also gunned-down that day on the east side of the city. In the early morning hours of Thursday, July 6, an off-duty prison guard was shot eight times while in the Liberdade neighborhood of central Sao Paulo; amazingly he was not killed and remains hospitalized. But, on Friday morning July 7, a guard was shot and killed by assailants in a car outside of his home in the Casa Verde neighborhood of northern Sao Paulo.

PRISON GUARDS BEGIN "PARALYSIS" ACTIONS

¶18. (SBU) In the jailbreak of July 5, eight prisoners overpowered a cook and obtained at least one firearm, shooting to death both a guard and another prison worker. Two of the six escapees were captured. The day before the incident, the prison guard union Sifuspesp issued a proclamation stating that in the event of the killing of any guard, union members would cause a "paralysis" throughout the prison system for 24 hours. The union said that guards on post would refuse entry to lawyers and visitors, and would prevent the delivery to prisoners of sacks of clothing and food from their families known as "jumbos." Such work-actions took place at some 25 prisons beginning on Thursday, July 6. Twenty-five of the state's 144 prisons had already been suffering from a prison guard strike, and an earlier strike was cancelled over the weekend for fear that inmates would have rebelled if their weekend visitations were to have been cut off.

¶19. (SBU) Sao Paulo's two prison employee unions are reeling from the recent attacks and from an onslaught of death threats in the wake of the May crime wave, often made directly to prison guards via telephone. Twelve prison guards have been killed so far in 2006, including two killed during the prison riots associated with the PCC's crime wave of May. By comparison, only two guards were killed during the entirety of 2005.

¶10. (SBU) Unions are also reeling from a new investigation launched by the special anti-organized crime unit (DEIC) of the Military Police against five prison guards accused of aiding and abetting the PCC and helping plan escapes from prison. DEIC investigators used wiretaps to uncover the plot, and an unidentified

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officer told one local newspaper that the investigation is expanding in an effort to determine who was at the head of the scheme.

HUMAN RIGHTS GROUPS CRITICAL, BUT RALLY WITH GUARDS

¶11. (SBU) In the days immediately following the killing of 13 PCC suspects by Sao Paulo police, concern was raised regarding possible human rights violations given the number of suspects killed and the manner in which they were killed: the suspects were shot in a preemptive raid, apparently while sitting or standing in small groups in parking lots and in cars (ref A). Perhaps more troubling for Brazilian media outlets was a surprise judicial decree from the municipality where the killings occurred, in which the judge ordered complete secrecy regarding the investigation into the deaths, including police records and autopsy reports. Leading opposition presidential candidate and former governor of Sao Paulo State Geraldo Alckmin squarely endorsed the police's anticipatory strike against the PCC, saying that Sao Paulo is in a climate of war, and "we have to win the battle every day with a prepared police force." But the judicial gag order fueled the fires of conspiracy theory with whispers (and sometimes shouts) of executions and retribution, especially among federal officials in the capital, some of whom may also have political motivation to paint the state of Alckmin's State in a negative light. For example, Luiz Greenhalgh, head of the Congressional Human Rights Commission, went so far as to claim that the Sao Paulo police had carried out executions according to a predetermined list, which has yet not been determined to be true or false.

¶12. (SBU) However, local criticism softened as prison guards started turning up murdered on their own doorsteps, and new stories surfaced about the further nefarious intent and the apparent reach of the PCC. The daily newspaper Estado de Sao Paulo reported that the PCC leadership is building up the organization's cash reserves by requiring each member out on the street to bump up his monthly "contribution" to the gang from 600 Reals (approximately \$300 US) to 1000 Reals (approximately \$500 US). With the extra cash, the PCC leadership is reportedly prepared to pay out a stipend to the

families of gang members killed by police. Estado also reported over the weekend that the PCC maintains a veritable banking system, even giving out loans to its members to finance drug trafficking. Further, the daily paper Folha reported that the PCC is giving milk, gas and foodstuffs to 200 families living in the favelas in which the gang deals drugs.

¶13. (SBU) Stories also surfaced about bold plans of the PCC to destroy the state's prisons. It was widely reported that the PCC is now using lawyers as "courier pigeons" to deliver messages and keep its lines of communications open as prison authorities have managed to limit PCC leaders' access to cellular telephones at the toughest of the state's prisons. It was also reported that a non-governmental organization (NGO) known as the New Order is, in fact, an arm of the PCC, and has been used by the gang, through its lawyers, as an intermediary to negotiate with authorities during prison riots and to provide assistance to inmates. The Military Police, meanwhile, was forced to put down a riot on Friday, June 30, in the maximum security prison Presidente Bernardes, where the PCC's titular leader known as Marcola is housed, but not until prisoners broke the windows of 136 cells, using the glass as makeshift knives, and caused other major damage. Seventy members of the Military Police (PM) "shock troops" were able to quell the violence and restore order. One AMCIT is currently housed in Presidente Bernardes Prison, but we were informed by officials that he was NOT/NOT in an area of the facilities affected by violence, but rather, in a separate part of the complex 500 meters from the affected prison. See also septel regarding the ongoing situation at Araraquara prison in Northern Sao Paulo state, where 1400 inmates are being housed in a prison yard designed for 160.

¶14. (SBU) But it is the assassinations of prison guards not

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accused of any wrong-doing but simply coming and going to work and home that has prompted an unusual expression of common good will; several leading human rights NGOs held a rally side-by-side with prison guards on Thursday, July 6, to denounce the violence in the prisons and the attacks on prison employees by the PCC. According to organizers, the goal of the rally was to stand in solidarity with the families of the murdered prison guards, and to help the unions find a way for their employees to work in relative security. The rally was organized by the National Movement for Human Rights (MNDH), with the participation of the Commission for Human Rights of the state Assembly, the Bar Association of Brazil (OAB), and various church groups.

¶15. (SBU) COMMENT: The possibility of human rights abuses at the hands of Sao Paulo state law enforcement personnel on June 26 cannot be overlooked. In fact, the secrecy surrounding the investigation parallels that which surrounds the follow-up to the medical examiner's investigations of the May shootings, where the details of between 250 and 400 deaths by police are still in question. We are attempting to gain clearer insight into the process of investigating the deaths, and what determinations, if any, have been made. In the meantime, we are meeting with leading human rights representatives of the state to discuss the matter and their work in general, as we have already met with the Secretary for Public Security to discuss the possibility of offering USG technical assistance for law enforcement training. We will report our findings and recommendations in septels. Further, it is worth noting that Ariel de Castro Alves, the director of the National Movement for Human Rights (MNDH) and coordinator for the solidarity rally mentioned above, is one of our International Visitor Program (IVP) participants for 2006/07. END COMMENT.

THANKS FOR YOUR SUPPORT, AND PASS THE AMUNITION

¶16. (SBU) While prison guards and their unions are finding new allies in the form of sympathetic human rights activists, the federal police seem on the verge of giving them a tool for which they have been asking for some time: the authority to carry weapons off-duty. The director of the Federal Police (PF) is said to be close to finalizing rules to authorize all prison guards in Brazil

to carry weapons, and the Minister of Justice said yesterday that the current Statute of Disarmament, while strict in limitations, does allow for the adoption of such rules. Minister Marcio Bastos said "In this difficult situation in Sao Paulo, prison guards have the right, and now the necessity, to keep weapons." Reports indicate that guards over the age of 25 will be able to register for such a license upon proving mental fitness and a lack of criminal record. The licenses would need to be renewed periodically. The move to give prison guards the authority to carry a weapon has been vocally supported both by Sao Paulo Governor Claudio Lembo, and one of the state's Senators Aloizio Mercadante, who are of opposing parties. It has been reported that some guards have been carrying private weapons illegally, in an attempt to gain some sense of personal security when off-duty.

ANOTHER BIG RAID: BUT THIS TIME THE COPS MAKE ARRESTS

¶17. (SBU) On Sunday morning, July 2, 230 police officers under the command of the state's Shock Troops (CPChoq) descended on the municipality of Peruibe after intercepting telephone calls that seemed to indicate a major PCC meeting was to take place there to plan for future hostile actions against security forces. Police could not, however, determine the exact location of the expected meeting, which they estimated was to have involved up to seventy leaders of the PCC. The CPChoq decided to move in on the area, and with the help of local Military Police (PM) and highway patrol, cordoned off a 12-block area and conducted vehicle searches for weapons. Police commanders proudly displayed 14 suspected PCC

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members arrested in the sweep, along with weapons and cell phones. Highlighting the most obvious difference between this raid and the one which took place the week before, the commander of the CPChoq stated definitively, "The arrests occurred without the need to fire one single shot."

MUZZLED SCREAMS: TOP PCC TAX COLLECTOR ARRESTED

¶18. On an interesting and related note, a top tax collector -- and perhaps pamphleteer -- of the PCC was arrested Wednesday, July 5, in the city of Campinas, approximately 60 miles north of Sao Paulo. Valdeci Francisco Costa, age 43, is thought by police to be in the upper ranks of the PCC criminal organization, and the chief accounts manager for the gang's activities outside of the Sao Paulo metropolitan area. Known as "Ci" ("Chee") and also "Notebook," Costa is said to have collected "contributions" from members both inside and outside of the state's outlying prisons, primarily in Riberao Preto, Sorocaba and Campinas. Police report that Costa was arrested with 13 others, including his 32 year old wife Elisandra Alves Verdelho Costa. A police captain in Campinas reported that while four accounts in Costa's name have been seized by police, the amount of money he was ultimately responsible for moving has yet to be determined. The police also say Costa is responsible for ordering several murders and controlling drug trafficking in his region, and they found over 60 cell phones and various accounting documents related to PCC activities among his possessions. Police also found thousands of pamphlets entitled "The Screams of the Oppressed," which assert that Brazilian prisoners have been forgotten by the courts, the press, and the PSDB -- the political party of former governor and current presidential candidate Geraldo Alckmin.

CAN LAW ENFORCEMENT SUSTAIN THE PRESSURE ON THE PCC?

¶19. (SBU) COMMENT: We continue to wonder how long this war between the PCC and the Sao Paulo Police can go on, and will the skirmishes of the past two weeks escalate again into full blown street warfare as was seen in May. Sao Paulo Police seem to have gained real ground in their ability to isolate the PCC leadership, disrupt the gang's lines of communication, and penetrate the PCC communications

network for the effective use of intelligence, the possible human rights violation of June 26 notwithstanding. But even with that event taken into consideration in the worst light, every police action since May seems better planned, better coordinated, and better executed than the last, with fewer shots fired (or none, as in the last two raids) and more arrests of top PCC personnel. But at the same time, we have been told that the PCC may have obtained records of a great number of prison guards, thus making it that much easier to find them at home and assassinate them at will. Giving the prison guards guns may help these embattled foot soldiers feel a little more in control, but it will not ease the frustration of being paid about \$600 US per month, or of being forced to work in stifflingly overcrowded and inherently dangerous spaces. Sustained capacity to keep up the current pace of intelligence gathering and raids, as well as to keep the PCC leaders well in hand, is questionable, given budget constraints and faulty existing infrastructure. And if prison discipline falters, the entire law enforcement effort will weaken; the PCC knows that and is obviously trying to exploit this weakness quickly. Meanwhile, the residents of Sao Paulo go on with their lives largely unaffected other than to marvel at the daily news reports of prison riots and prison breaks, and deadly attacks both on and by officers of the law. They will have to wait, and watch, to see which side has the greatest stamina in the end. END COMMENT.

MCMULLEN